

PUBLIC DISCLOSURE

APRIL 26, 2000

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

MARTHA'S VINEYARD CO-OPERATIVE BANK

40 SOUTH MAIN STREET
VINEYARD HAVEN, MASSACHUSETTS 02568

DIVISION OF BANKS
ONE SOUTH STATION
BOSTON, MA 02110

<p>NOTE: This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the Division of Banks concerning the safety and soundness of this financial institution.</p>
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GENERAL INFORMATION

The Community Reinvestment Act (CRA) requires the Division of Banks (Division) to use its authority when examining financial institutions subject to its supervision, to assess the institution's record of meeting the needs of its entire assessment area, including low and moderate-income neighborhoods, consistent with safe and sound operation of the institution. Upon conclusion of such examination, the Division must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

This document is an evaluation of the Community Reinvestment Act (CRA) performance of **Martha's Vineyard Co-operative Bank** prepared by the Massachusetts Division of Banks, the institution's supervisory agency.

INSTITUTION'S CRA RATING: This institution is rated "Outstanding".

Based on the five criteria specified for institutions with assets under \$250 million, Martha's Vineyard Co-operative Bank's overall CRA performance is considered Outstanding. The bank's loan-to-deposit ratio stood at 103.9 percent as of March 31, 2000, and has averaged 95.8 percent over the last eight quarters. These figures exemplify exceptional performance that exceeds the standards for satisfactory performance based on the bank's size, customer credit needs, and the competitive market in which it operates.

Mortgage loan data for calendar years 1998, 1999 and first quarter 2000 indicates that Martha's Vineyard Co-operative Bank originates all of its residential mortgages within the assessment area. The bank exceeds the standards for satisfactory performance in this category.

Of the total family households within the assessment area, 29.7 percent are low and moderate-income. However, circumstances such as escalating housing costs and lack of affordable housing opportunities within the assessment area limit loan activity among low and moderate-income individuals. Nevertheless, the bank's performance in lending to borrowers of different income levels is considered to exceed the standards for satisfactory performance when compared to aggregate lenders.

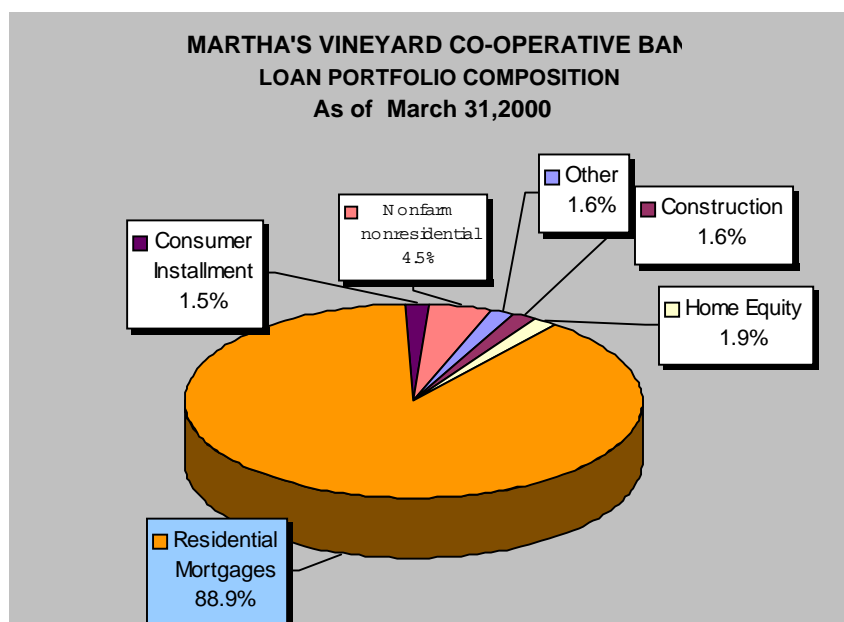
The assessment area is composed of four middle-income census tracts. Based on the analysis of the geographic distribution of loans within each town located in the assessment area, the bank's dispersion of loans is considered good. Finally, a review of the bank's CRA-related complaint file and fair lending policies and practices, indicated no evidence of any discriminatory practices and a performance rating of satisfactory was assigned.

A review of the institution's community development lending and services was also undertaken. The bank has been pro-active in pursuing affordable housing opportunities for low and moderate-income individuals on the island. The bank has also introduced new and innovative services that benefit all customers regardless of income. Bank officers and employees also donate time in support of non-profit organizations on the island. The bank's overall outstanding rating is enhanced by these additional considerations.

PERFORMANCE CONTEXT

Description of Institution

Martha's Vineyard Co-operative Bank (MVCB) is a state-chartered mutual institution incorporated under the laws of the Commonwealth in 1909. As of March 31, 2000, the bank had total assets of \$78.9 million. Total loans represent 90.2 percent of the bank's total assets. The bank is primarily a residential mortgage lender with 88.9 percent of its loan portfolio comprised of residential loans. Loans on nonfarm nonresidential properties are next with 4.5 percent of total loans, followed by home equity lines, construction loans, and consumer installment loans with 1.9 percent, 1.6 percent, and 1.5 percent, respectively. Other categories consisting of credit cards, loans secured by farmland, commercial and industrial loans, and loans secured by multi-family 5 or more unit properties, represent 1.6 percent of the loan portfolio. Refer to the chart below.



The Federal Deposit Insurance Corporation (FDIC) last examined the bank for compliance with the Community Reinvestment Act on March 9, 1998. That examination resulted in a CRA rating of "Outstanding". The previous examination conducted by the Division of Banks on March 19, 1996 also assigned an "Outstanding" rating.

Description of Assessment Area

The Community Reinvestment Act (CRA) requires a financial institution to define an assessment area within which its lending efforts are focused. The Division of Banks (Division) evaluates the institution's CRA performance based upon the defined assessment area.

Martha's Vineyard Co-operative Bank has defined its assessment area as the Island of Martha's Vineyard, which is located in Dukes County. The island is comprised of six municipalities, which include the towns of Aquinnah, Chilmark, Edgartown, Oak Bluffs, Tisbury, and West Tisbury. The bank's assessment area is composed of four census tracts. All tracts are classified as middle-income.

The assessment area is not located in a metropolitan statistical area, but rather in a non-metropolitan statistical area. The median family income for Massachusetts nonmetropolitan areas for calendar years 1998, 1999, and 2000 was \$44,900, \$46,400, and \$48,000, respectively. These figures are estimates based on the 1990 census data and adjusted for inflation by the Department of Housing and Urban Development.

According to 1990 census data, Martha's Vineyard has a year-round population of 11,639 individuals and 11,604 housing units. During the summer months, the population increases to approximately 100,000 people. The population increase is comprised in part by affluent summer residents who maintain second homes on the island. Additionally, the seasonal nature of the island accounts for the large number of vacant units on the island. Many housing units are vacant for much of the year and account for 56.9 percent of the total units. Census data indicate that more than 48 percent of the owner-occupied housing units on the island are valued in excess of \$200,000.

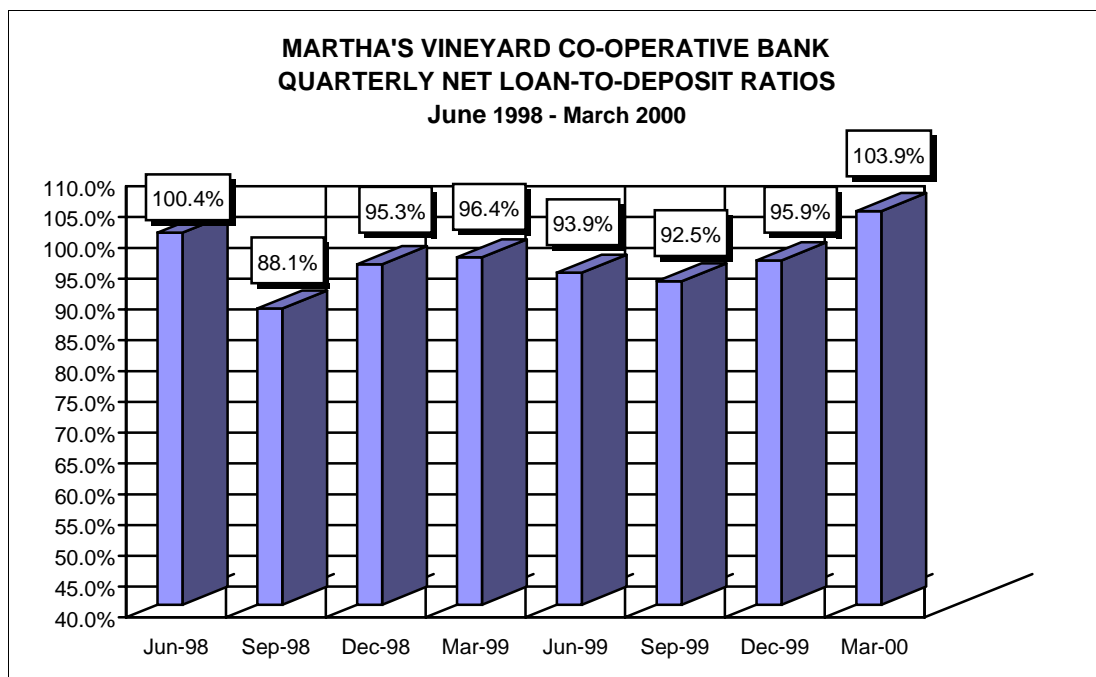
Martha's Vineyard has a total of 2,977 families. Of this number 42.2 percent, are considered upper-income. Of the remaining families, 13.0 percent are categorized as low-income, 16.7 percent as moderate-income, and 28.1 percent as middle-income.

PERFORMANCE CRITERIA

1. LOAN TO DEPOSIT ANALYSIS

Given Martha's Vineyard Co-operative Bank's asset size, its capacity to lend, and the credit needs of its customers, the institution's net loan-to-deposit ratio exceeds the standards for satisfactory performance.

An analysis of Martha's Vineyard Co-operative Bank's net loan-to-deposit ratio was performed during the examination. The analysis utilized the last eight quarters of the Federal Financial Institutions Examination Council (FFIEC) Call Report data for this institution. The bank's net loans to total deposits (LTD) as reported to the FFIEC were reviewed for the quarters ending June 30, 1998 through March 31, 2000. As the chart below indicates, Martha's Vineyard Co-operative Bank had high LTD ratios throughout the period reviewed. Refer to the following table.



As reflected in previous CRA reports, the bank's net loan-to-deposit ratios generally show a slight dip during the summer season. According to bank management the increase in population and the increase in deposits during the summer are responsible for this decline. However, the ratios increase again subsequent to withdrawals of cash at season's end. The strong showing in loan-to-deposit ratios proves that Martha's Vineyard Cooperative Bank returns a large percentage of deposits back to the community in the form of loans.

During the period reviewed loans increased by more than 21.0 percent. Loan growth of \$12.5 million was dominated by strong loan demand for refinancing of residential properties. It is also noted that the bank relies on borrowing from the Federal Home Loan Bank to help fund its loan activity. However, the greater variation in deposit activity has the most impact on the Loan to Deposit ratios.

The bank's net loan to deposit ratio was compared to the ratios of two other financial institutions operating in the assessment area. This comparison was based on the institutions' net loan to deposit ratios as of March 31, 2000. Martha's Vineyard Cooperative Bank's ratio of 103.9 percent places it ahead of the other local financial institutions that provide mortgage credit on the island. Refer to the following table.

Net Loans-to-Deposit Ratios as of March 31, 2000		
Bank	Asset Size (000s)	% LTD
Martha's Vineyard Co-operative	\$78,988	103.9
Edgartown National Bank	\$88,227	102.0
Dukes County Savings Bank	\$169,828	85.6

The bank's smaller asset size, in comparison to the larger financial institutions that operate within the assessment area, has not been a deterrent in providing credit to its customers.

Based on the preceding information, the bank's performance in this area is considered exceptional.

2. COMPARISON OF CREDIT EXTENDED INSIDE AND OUTSIDE OF THE ASSESSMENT AREA (S)

An analysis was conducted of the loans extended by the bank inside and outside of its assessment area.

The bank is not required to maintain a Home Mortgage Disclosure Act (HMDA) Loan Application Register (LAR). However, a register of loans that include the necessary data for a residential loan review is maintained. Since the bank is primarily a residential mortgage lender, the lending analysis relied on loan register data maintained by the bank. This data includes loans for residential refinancing and home purchases of one-to-four family properties. For the period reviewed the bank originated all of its residential loans within the island of Martha's Vineyard. A total of 356 loans were originated in calendar years 1998, 1999 and year-to-date 2000 for a dollar total of \$50 million. The following table demonstrates the level of lending within the various towns that comprise the assessment area.

Table 2a

RESIDENTIAL LOANS ORIGINATED BY NUMBER								
LOCATION	1998		1999		2000*		TOTALS	
	#	%	#	%	#	%	#	%
Oak Bluffs	54	35.8	46	26.7	6	18.3	106	29.8
Tisbury	33	21.9	46	26.7	11	33.3	90	25.3
West Tisbury	26	17.2	38	22.1	11	33.3	75	21.1
Edgartown	30	19.9	32	18.6	4	12.1	66	18.5
Chilmark	4	2.6	8	4.7	0	0.0	12	3.4
Aquinnah	4	2.6	2	1.2	1	3.0	7	1.9
INSIDE ASSESSMENT AREA	151	100.0	172	100.0	33	100.0	356	100.0
OUTSIDE ASSESSMENT AREA	0	0.0	0	0.0	0	0.0	0	0.0
TOTALS	151	100.0	172	100.0	33	100.0	356	100.0

Source: Bank Mortgage Loan Data (1/1/98 through *first quarter 2000)

Table 2b

RESIDENTIAL LOANS ORIGINATED BY DOLLAR VOLUME								
LOCATION	1998		1999		2000*		TOTALS	
	\$ (000)	%	\$(000)	%	\$(000)	%	\$ (000)	%
Oak Bluffs	6,952	36.7	5,874	22.0	798	17.9	13,624	27.2
West Tisbury	3,621	19.1	6,115	22.9	2,124	47.5	11,860	23.7
Tisbury	3,374	17.8	6,275	23.5	1,095	24.5	10,744	21.5
Edgartown	3,160	16.8	6,052	22.7	310	6.9	9,522	19.0
Chilmark	876	4.6	1,380	5.2	0	0.0	2,256	4.5
Aquinnah	942	5.0	950	3.6	143	3.2	2,035	4.1
INSIDE ASSESSMENT AREA	18,925	100.0	26,646	100.0	4,470	100.0	50,041	100.0
OUTSIDE ASSESSMENT AREA	0	0.0	0	0.0	0	0.0	0	0.0
TOTALS	18,925	100.0	26,646	100.0	4,470	100.0	50,041	100.0

Source: Bank Mortgage Loan Data (1/1/98 through *first quarter 2000)

Based upon the analysis of residential loan data, the bank's level of lending within the assessment area exceeds the standards for satisfactory performance.

3. DISTRIBUTION OF CREDIT AMONG DIFFERENT INCOME LEVELS

The distribution of residential loans to borrowers of different incomes reflects an exceptional penetration among all income levels. Based upon this analysis, the bank's efforts exceed the standards for satisfactory performance under this criterion.

An analysis of Martha's Vineyard Co-operative Bank's loan data for calendar years 1998, 1999 and the first quarter of 2000 was conducted in order to determine the distribution of loans based upon the income levels of borrowers. The analysis of borrower income level was identified as the ratio of borrower income to the Median Family Income for the non-MSA. The median family income for the years 1998, 1999 and 2000 was \$44,900, \$46,400 and \$48,000, respectively. These figures are based upon estimated Department of Housing and Urban Development (HUD) data.

The bank granted 151 residential loans in 1998, 172 loans in 1999, and 33 loans in the first quarter of 2000. All mortgage loans were originated within the assessment area. Loans extended to borrowers with incomes greater than 120 percent of the non-MSA median family income represented the largest individual category with 54.2 percent of the total number and 65.7 percent of the total dollar amount for the period reviewed. Loans extended to borrowers of middle-income were next with 26.7 percent of the total number and 23 percent of the total dollar amount. Loans to borrowers of moderate-income and low-income represented 13.2 percent and 4.8 percent of loans originated, respectively.

The following tables provide a breakdown of the number and dollar volume of residential loan originations applicant income level.

Table 3a

RESIDENTIAL LOANS ORIGINATED BY BORROWER INCOME(Number)								
% MEDIAN INCOME	1998		1999		2000*		TOTALS	
	#	%	#	%	#	%	#	%
<50%	5	3.3	10	5.8	2	6.1	17	4.8
50%-79%	22	14.6	22	12.8	3	9.1	47	13.2
80%-119%	43	28.5	41	23.8	11	33.3	95	26.7
120%>	80	53.0	97	56.4	16	48.5	193	54.2
NA	1	0.6	2	1.2	1	3.0	4	1.1
TOTALS	151	100	172	100	33	100	356	100

Source: Bank Mortgage Loan Data (1/1/98 through *first quarter 2000)

Table 3b

RESIDENTIAL LOANS ORIGINATED BY INCOME OF BORROWER (Dollar Amount)								
% MEDIAN INCOME	1998		1999		2000*		TOTALS	
	\$(000)	%	\$(000)	%	\$ (000)	%	\$(000)	%
<50%	384	2.0	836	3.1	35	0.8	1,255	2.5
50%-79%	1679	8.9	2,029	7.6	180	4.0	3,888	7.8
80%-119%	4,932	26.1	4,989	18.7	1,565	35.0	11,486	23.0
120%>	11,793	62.3	18,477	69.4	2,620	58.6	32,890	65.7
NA	137	0.7	315	1.2	70	1.6	522	1.0
TOTALS	18,925	100.0	26,646	100.0	4,470	100.0	50,041	100.0

Source: Bank Mortgage Loan Data (1/1/98 through *first quarter 2000)

An analysis was conducted of the number and dollar volume of residential loans originated by the bank in comparison to all other lenders who made loans within the assessment area during calendar year 1998. It should be noted that the aggregate data has a relatively high number of "Not Available (NA)" entries. Refer to the following table.

Table 3c

1998 AGGREGATE HMDA DATA				
INCOME LEVEL	% NUMBER		% DOLLAR	
	Martha's Vineyard Coop¹	Other Lenders²	Martha's Vineyard Coop¹	Other Lenders²
<50%	3.3	1.2	2.0	0.4
50%-79%	14.6	5.1	8.9	2.2
80%-119%	28.5	8.9	26.1	4.8
120%>	53.0	63.8	62.3	69.8
NA	0.6	20.9	0.7	22.8

Source: ¹Bank Loan Data ²PCI Services, Inc. CRA WIZ

The analysis above indicates that the volume of residential loans originated by the bank among low and moderate-income borrowers was proportionately higher than the aggregate loan data of the 170 other HMDA-reporting institutions that made loans within the assessment area. The percentage of Martha's Vineyard Co-operative Bank's loans granted to moderate-income borrowers at 14.6 percent of the number and 8.9 percent of the dollar volume was significantly higher than that of all other lenders in both the number and dollar volume of loans originated. Similarly the proportion of loans made to low-income borrowers was also substantially higher than that of the aggregate. This pattern continues in lending to middle-income borrowers who constituted 28.5 percent of all borrowers through Martha's Vineyard Cooperative Bank, versus 26.1 percent for the aggregate.

It is noted that Martha's Vineyard is a seasonal resort community and the gap between the incomes of the year-round residents and that of the more affluent seasonal residents is fairly wide. The total number of residential mortgage loans in this examination is higher in volume than in the last CRA report. However, the figures in the last CRA examination indicated a higher percentage of loans to low-income borrowers. The rapidly escalating housing costs on the island and the subsequent lower demand by individuals in the low and moderate-income range may be the determining factor.

Based upon the analysis of borrower income and particularly the comparison of the distribution of loans to the aggregate distribution, Martha's Vineyard Co-operative Bank was found to have exceeded the standards for satisfactory performance in this category.

4. GEOGRAPHIC DISTRIBUTION OF LOANS

The bank's assessment area contains four census tracts, all of which are designated as middle-income. Given this fact a comprehensive analysis of the geographic distribution of loans would not be meaningful. The following is provided for informational purposes.

The bank's loans appear to be well distributed throughout the assessment area and lending data derived from loan application registers indicates a good dispersion throughout the assessment area.

Table 4a

RESIDENTIAL LOANS BY CENSUS TRACT (Number)			
Census Tract	Location	#	%
2001.00	Tisbury	90	25.3
2002.00	Oak Bluffs	106	29.8
2003.00	Edgartown	66	18.5
2004.00	Aquinnah, Chilmark, West Tisbury, and Gosnold	94	26.4
TOTALS		356	100.0

Source: Bank Mortgage Loan Data (1/1/1998 through *first quarter 2000)

Table 4b

RESIDENTIAL LOANS BY CENSUS TRACT* (Dollar Volume)			
Census Tract	Location	\$ (000)	%
2001.00	Tisbury	10,744	21.5
2002.00	Oak Bluffs	13,624	27.2
2003.00	Edgartown	9,522	19.0
2004.00	Aquinnah, Chilmark, West Tisbury, and Gosnold	16,151	32.3
TOTALS		50,041	100.0

Source: *Bank Mortgage Loan Data (1/1/98 through *first quarter 2000)

5. REVIEW OF COMPLAINTS AND FAIR LENDING POLICIES AND PRACTICES

Based upon the review of the bank's public comment file and its performance relative to fair lending policies and practices, Martha's Vineyard Co-operative Bank meets the standards for satisfactory performance.

Review of Complaints

A thorough review of the public comment file revealed that the bank received no complaints pertaining to the institution's CRA performance since the previous examination.

Fair Lending Policies and Practices

Detailed below is an analysis of the bank's fair lending performance as it relates to the guidelines established by Regulatory Bulletin 2.3-101, the Division's Community Reinvestment and Fair Lending Policy.

STAFF TRAINING

The bank has not established any formal employee training relative to fair lending.

STAFF COMPOSITION AND COMPENSATION

The bank employs thirty-two individuals, eight of whom are part-time. Languages spoken by staff in addition to English include Spanish, French, and German.

All mortgage loan personnel are paid a base salary. No individuals receive any commission.

OUTREACH

Bank management maintains informal contact with members of the establishment on Martha's Vineyard. Also, the bank works closely with area schools helping children develop saving skills through school bank savings programs.

CREDIT PRODUCTS AND UNDERWRITING STANDARDS

The bank's qualifying standards for residential loans may be considered conservative in today's market. However, management has sought ways to preserve affordable housing in an escalating mortgage market. In response to escalating housing costs, the bank modified its loan to value ratio in 1998 by increasing it from 80 percent to 89.9 percent on primary residences. In addition, the bank has demonstrated a willingness to participate in the Homeowner Options for Massachusetts Elders (H.O.M.E.) program.

MARKETING

The bank promotes its credit, deposit and other services in the local Vineyard Gazette and Martha's Vineyard Times newspapers. The bank also offers five 30-second announcements per week on local radio station WMVY. In addition, the bank uses lobby brochures, and statement messages and stuffers in its in-house marketing campaign. The bank's advertising efforts do not target any particular group or segment of Martha's Vineyard, but promotes the bank's services and image throughout the island communities.

CREDIT EDUCATION

The bank is not a participant in any formal credit education programs. Management relies on its personal contact with individuals as a means of educating the consumer about the various credit services offered by the bank.

COUNSELING

The bank supports Consumer Credit Counseling Services. Martha's Vineyard Co-operative Bank refers all loan customers whose home loan is delinquent to the appropriate credit counseling services available in the area. In addition, the bank's management is willing to work with any customers who are experiencing credit difficulties.

SECOND REVIEW PRACTICES

According to the bank's loan policy, credit decisions are reviewed by the Treasurer and CEO and reported to the Board of Directors for final approval. This review is performed as required by the bank's policy and insures that applicants are treated equally.

APPLICATION FLOW

A review of residential loan applications was conducted in order to determine the number of applications the bank received from minorities. In 1998, 1999, and year-to-date First Quarter 2000, the bank received 396 residential loan applications from within its assessment area. During this period, 36 applications or 9.1 percent, were received from minorities. Of the 36 minority applications received, 4 were denied and 2 were withdrawn. Refer to the following table for further details.

APPLICATION FLOW								
	1998		1999		2000*		TOTAL	
	#	%	#	%	#	%	#	%
Asian	0	0.0	0	0.0	0	0.0	0	0.0
Black	4	2.3	4	2.2	3	7.7	11	2.8
Hispanic	1	0.6	1	0.5	0	0.0	2	0.5
Native American	4	2.3	5	2.7	0	0.0	9	2.3
Joint	2	1.1	5	2.7	1	2.6	8	2.0
Other	5	3.0	1	0.5	0	0.0	6	1.5
Total Minority	16	9.3	16	8.6	4	10.3	36	9.1
White	150	87.7	163	87.6	32	82.0	345	87.1
NA	5	3.0	7	3.8	3	7.7	15	3.8
Total	171	100.0	186	100.0	39	100.0	396	100.0

Source: Bank Mortgage Loan Data (1/1/98 through *first quarter 2000)

The bank's minority application flow for this period was compared with the racial make-up of the assessment area. According to 1990 Census Data, the bank's assessment area contained a total population of 11,639 individuals of whom 8.1 percent are minorities. The minority population is 2.4 percent American Indian, 0.3 percent Asian, 4.2 percent Black, 0.7 percent Hispanic, and 0.5 percent Other.

The bank's minority application flow was further compared to the 1998 aggregate data for all other HMDA reporters within the assessment area. The comparison of this data assists in deriving reasonable expectations for the institution's minority application flow.

1998 AGGREGATE HMDA DATA		
	BANK	AGGREGATE*
	%	%
Asian	0.0	0.1
Black	2.3	4.2
Hispanic	0.6	0.3
Native American	2.3	0.4
Joint	1.1	1.5
Other	3.0	0.7
Total Minority	9.3	7.2
White	87.7	73.0
NA	3.0	19.8
Total	100.0	100.0

Source: Bank Mortgage Loan Data and

*©PCI Services, Inc. CRA WIZ

Aggregate information from 1998 (the most recent aggregate data available) indicated that of the HMDA-reportable applications received from the 170 financial institutions within the assessment area, 7.2 percent were from minorities. By comparison, Martha's Vineyard Co-operative Bank received 9.3 percent of its 1998 applications from minorities.

Martha's Vineyard Co-operative Bank's minority application flow figure exceeds that of the aggregate and also surpasses the percentage of minorities within the assessment area.

Based upon the preceding information, the bank appears to have made a good effort to comply with fair lending policies and practices as prescribed by Regulatory Bulletin 2.3-101. Its performance was found to be satisfactory in this regard.

Community Development Lending

At the bank's request its community development lending and services were reviewed.

In April 2000, the bank made a \$90,000 loan to the Island Elderly Housing, Inc. for the acquisition of land on the island to build 14 units of year-round, low-income elderly rental apartments.

In 1996, the bank was a participant in the Island Co-Housing project, a housing development project initiated by private developers and community residents in West Tisbury with support from the Federal Home Loan Bank, Dukes County Regional Housing Authority, the Town of Tisbury, Cape Cod 5 Cents Savings Bank, and Martha's Vineyard Cooperative Bank. Martha's Vineyard Cooperative Bank was the lead bank with \$750,000 of this \$2.5 million development loan. The project consists of 16 units including 4 affordable housing units. The bank provided financing for the 4 affordable units at approximately \$130,000 each, subsidizing the rates to a maximum of 7.25 percent upon a commitment made in early 1999.

Services

Retail Services

The bank has two full service office locations that provide 24-hour Automated Teller Machine (ATM) service. The bank also provides one cash-dispensing stand-alone ATM that opened at the island's airport on May 12, 2000. A remote site in Oak Bluffs is scheduled to become effective in July 2000. The ATMs are linked to the NYCE network.

The bank provides 24-hour telephone banking service. This service offers account information on checking, savings, and loan accounts and gives customers the ability to transfer funds between accounts and make loan payments. The bank has an internet web page and provides online banking services. In 1999, this service was extended to

the local school banking programs and allows students to access their accounts online at their Save for America web site. The transactions are processed directly to the bank via the Federal Reserve Bank's automated clearinghouse.

The bank opened its first full service branch office in West Tisbury in December 1998. This office provides 24-hour Drive-up ATM teller and safe deposit services. The bank's systems for delivering retail banking services are readily accessible to geographies and individuals of different income levels within its assessment area, including individuals of low and moderate income.

Community Development Services

The CRA regulation defines a community development service as a service that is primarily for the purpose of community development and is related to the provision of financial services. An important way an institution can provide these services is through the involvement of officers and staff in community organizations. Various bank officers and staff participate in community development services. The degree of the bank's efforts in lending its time and technical expertise, experience and judgment to community organizations is noted below:

The bank's treasurer is an active participant with the Dukes County Regional Housing Authority. Also, a loan officer of the bank serves on the Board of the Oak Bluffs Resident Homesite Committee.

The bank administers the Save for America banking program in six elementary schools in Martha's Vineyard.

THE COMMONWEALTH OF MASSACHUSETTS

To the COMMISSIONER OF BANKS:

THIS IS TO CERTIFY, that the report of examination of the

MARTHA'S VINEYARD CO-OPERATIVE BANK

for compliance with applicable consumer and fair lending rules and regulations and the Community Reinvestment Act (CRA), as of the close of business **APRIL 26, 2000**, has been read to or by the undersigned and the matters referred to therein will have our immediate attention.

_____	_____
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_____	_____

A majority of the Board of Directors/Trustees

Dated at _____ this _____ day of _____ 20 ____

PERFORMANCE EVALUATION DISCLOSURE GUIDE

Massachusetts General Laws Chapter 167, Section 14, as amended, and the Uniform Interagency Community Reinvestment Act (CRA) Guidelines for Disclosure of Written Evaluations require all financial institutions to take the following actions within 30 business days of receipt of the CRA evaluation of their institution:

- 1) Make its most current CRA performance evaluation available to the public;
- 2) At a minimum, place the evaluation in the institution's CRA public file located at the head office and at a designated office in each local community;
- 3) Add the following language to the institution's required CRA public notice that is posted in each depository facility:

"You may obtain the public section of our most recent CRA Performance Evaluation, which was prepared by the Massachusetts Division of Banks, at (Address at main office)."

[Please Note: If the institution has more than one local community, each office (other than off-premises electronic deposit facilities) in that community shall also include the address of the designated office for that community.]

- 4) Provide a copy of its current evaluation to the public, upon request. In connection with this, the institution is authorized to charge a fee which does not exceed the cost of reproduction and mailing (if applicable).

The format and content of the institution's evaluation, as prepared by its supervisory agency, may not be altered or abridged in any manner. The institution is encouraged to include its response to the evaluation in its CRA public file.